

Issue 20

October 20, 2011

Greetings!

CINCS is pleased to send you **Forestracker - In Depth**, an edited, bi-weekly snapshot of global news and developments relating to the forestry carbon markets, REDD projects, and terrestrial sequestration, as well as in depth research and analysis on current issues.

Sincerely,

The CINCS (Climate Investment Network for Carbon Sequestration) Team

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In Focus

The State of Ecuador's Environmental Programs: Current Efforts and Future Challenges. from CINCS team member **Steven Shonts**

Ecuador is a country with abundant natural wealth, ranging from conventional resources, such as petroleum and precious metals, to unique forest and mangrove ecosystems. These ecosystems are characterized by unrivalled biodiversity and carbon density. But, as is the case in many developing nations with abundant natural resources, Ecuador has experienced a long history of corruption, degradation and over-exploitation. The Ecuadorian government has recently begun to grapple with how to better allocate and safeguard its natural resources and their associated environmental services. The government is working towards a system where economic forces are harnessed to protect natural ecosystems, instead of one where developmental goals are pitted against environmental ones. This paper explores the unique natural and ecological resources of Ecuador, and the forces that have historically driven their degradation. In addition, this paper summarizes some of the current initiatives in the country aimed at providing forest carbon sequestration, water conservation and biodiversity preservation, and discusses a list of obstacles facing the government in achieving these goals. By providing a strong framework for integrating the currently disparate efforts aimed at preserving and fairly allocating environmental services, Ecuador can achieve its vision for a sustainable future.

[Full Article Here](#)

Policy Updates

Forest protection efforts faltering - experts. Curbing climate change by paying to protect the world's forests has proved much more challenging than first expected - mainly because of rising demand for forest land to grow food, widespread economic recession and failing efforts to create a global carbon market. But growing recognition that people who live in and near forests are their most effective protectors means that their communities may be in line for a bigger share of forest carbon payments, a development that could boost the sustainability of forest

Trading Tracker

As of October 18, 2011

Europe
European Climate Exchange (ECX)
EUA, DEC 2011: EURO 10.23
CER, DEC 2011: EURO 7.18

United States
The Green Exchange (NYMEX).
EUA, DEC 2011: EURO 10.30
CER, DEC 2011: EURO 7.18
RGGI, DEC 2011: USD 1.90
CCAR, MAR 2012: USD 1.85

Canada
Montreal Climate Exchange (MCEX)
MCS, Jun 2011: CAD 1.000

Japan
Japan Climate Exchange.
Tokyo Cap-and-Trade Credits: YEN 12.000 (in August, 2010)

India
National Commodity and Derivatives Exchange Limited (NCDEX).
CER, SPOT: INR 704.96 (as of Dec 25, 2010)

Marketracker - In
Depth

Issue 21 coming up next week -
October 26, 2011

protection work worldwide, experts at a forest and climate finance conference said recently in London.

AlertNet

"Recognise the rights of indigenous peoples": New briefing series on REDD+ in Indonesia from Forest Peoples Programme. Forest Peoples Programme, together with local partners has released a series of briefings about REDD in Indonesia. Five briefings look at REDD developments Aceh, Riau, Central Kalimantan, Central Sulawesi, Papua and West Papua and a sixth looks at REDD at the national level.

redd-monitor.org

Competing actors and land uses in Latin America challenges "effective and equitable REDD+ design". Children in Bolivia. Photo by Amy Duchelle/CIFOR LIMA, Peru (18 October, 2011)_The rapid growth of agribusiness, cattle ranching, small-scale agriculture, logging and resource-based economies in Latin America leading to competing demands for land means that if REDD+ schemes are going to relieve pressure on tropical forests, they must be tailored according to how the land is currently used in particular areas, says a recent study by the Center for International Forestry Research (CIFOR).

CIFOR

Carbon Trust launches Footprint Verification service. . The Carbon Trust has today launched a service designed to independently verify carbon emissions data published by companies and other organisations. Dubbed Footprint Verification, the new service will allow firms to carry a Carbon Trust-backed logo alongside any carbon footprint data they provide in annual reports, CSR reports, or marketing material. The company said that the verification service is compliant with established carbon reporting standards such as the GHG Protocol and the Carbon Disclosure Project and will provide independent assurance that companies' emissions claims are accurate.

Business Green

Markets

Analysis: U.N. carbon price set to fall further. The price for U.N.-backed carbon credits is set to fall further, after hitting a record low, as an over-supply of offsets looks unlikely to lessen and as poor economic growth dents confidence in the market.

Reuters

BofA Merrill Enters California Carbon Market. Bank of America Merrill Lynch is entering the nascent California carbon trading market with an agreed option to buy several million tons of offsets from TerraPass, through 2020. The offsets will be generated from a pool of agricultural methane projects located throughout the U.S., and are all expected to be compliant with the forthcoming cap-and-trade regime.

Environmental Leader

New study: price carbon at the point of fossil fuel extraction. Global carbon emissions are a complicated matter. Currently, officials estimate national fossil fuel-related emissions by what is burned (known as production) within a nation, but this approach underestimates the emissions contributions from countries that extract oil and oil for export. Is there a better way to account for a country's total climate change footprint? A new study in the Proceedings of the National Academy of Sciences (PNAS) finds that fossil fuel extraction is highly concentrated: seven countries and one region, the Middle East, account for over two thirds of the world's resources of oil, gas, and coal that results in global carbon emissions. The authors argue that cutting emissions could be significantly simplified by applying a price on carbon at the point of extraction.

Mongabay.com

Around the World (Country Developments)

AFRICA

Sugar industry takes aim at Ugandan forest again. The Sugar Corporation of Uganda Limited (SCOUL), part of the multi-national

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[View sample issue](#)

Mehta Group, wants to clear more than 75 square km of Mabira forest to expand its sugar plantations in central Uganda. President Museveni supports the plan, and has vowed to give away the forest, saying he will not be deterred by people - in other words, opponents of the scheme - who don't see where the future of Africa lies.

Alertnet

Africa Struggles to Mitigate Climate Change Effects. The 1st Climate Change and Development for Africa Conference opened on Monday in Ethiopia, as a contribution from this continent to fight that scourge, which affects vulnerable economies and populations. The event is sponsored by the African Union, the Economic Commission for Africa and the African Development Bank, environmental agencies stated. Participants will discuss Africa's priorities and the design of policies to protect the environment, as part of the international strategy to fight climate change, according to reports.

Prensa Latina

Meat and Forest Products Consumption Fuel Inequalities in Global Land Use. More than 60 per cent of land consumed in Europe is imported while US demand for imported land increased by 100 Million hectares between 1997 and 2004, new research published today by Friends of the Earth reveals. The figures expose drivers behind land grabbing as delegates from around the world start negotiations today in Rome, Italy, on UN guidelines to regulate land grabbing.

All Africa

Tanzania: Carbon offset projects 'having positive impact'. The carbon offset projects being undertaken in Tanzania by a Norwegian company, Green Resources ASA (GRAS), have begun to make remarkable progress in addressing the challenge of climate change and contributing significantly to national poverty alleviation efforts. The conglomerate, which operates in the country as Green Resources Limited (GRL), grows trees for generation of carbon credits and bio-energy and for manufacturing wood products. As one of the largest forestation companies in Africa, GRL also operates in Mozambique and Uganda, and to a small extent in Southern Sudan.

The Citizen

ASIA

India: Across India, the debate over coal heats up. The forest provides Ran Singh Marpachi with the betel leaves he sells in the market, as well as the food and medicinal plants his family has depended on for generations. But officials say the coal fields underneath the lush, green trees could bring jobs and electricity to struggling farmers in the area. "Will the rains stop? Will the bear and the birds flee when the trees are cut?" said Marpachi, 44, who lives in a forest-hugging village in the central state of Chhattisgarh. "But then, we also hear this coal will run big factories, and our homes will no longer be poor and starved for electricity."

Twin Cities

India: Forest bureaucracy hits back at FAC members. Under attack for shoddy work in clearing forest projects, the forest bureaucracy has hit back terming the non-official members in the Forest Advisory Committee (FAC) -mandated to examine proposals for diversion of forestland - as foreign agents and having a conflict of interest. Three non-official members of FAC - Mahesh Rangarajan, Ullas Karanth and Amita Bavaskar - had accused Indian Forest Service (IFoS) officials in the environment ministry of favouring private project proponents in getting forest clearance by withholding key ecology related information.

Hindustan Times

Indonesia: Paper suppliers risk damaging Indonesia's reputation, argues report. Indonesia needs to re-evaluate forest areas and peatlands granted for pulp and paper plantations to reduce the risk of damaging the international reputation of its forest products and undermining its commitment to greenhouse gas emissions reductions, argues a new report published by an Indonesian activist group.

Mongabay.com

Indonesia: Green Award in Indonesia Highlights Positive Impact of Forest Plantations on the Reduction of Greenhouse Gas Emissions. A first-of-its-kind landmark research project, carried out at Asia Pulp and Paper (APP) pulpwood suppliers' areas in South Sumatra, by academics at Institut Pertanian Bogor (IPB), Bogor Agricultural University in Indonesia has been honoured at the Indonesian Green Awards, for successfully proving the positive impact of plantation forestry on degraded peat land and greenhouse gas emissions.

[Financial Post](#)

EUROPE

Proposed EU Policy on Oil Sands Discriminatory Canada Says. Oil sands, the source of oil for the controversial Keystone XL pipeline, took another hit to its image this week when the European Commission proposed that oil derived from the sands should be declared a quarter more carbon dioxide-polluting than crude oil. The fuel directive was welcomed by environmentalists, but heavily criticized by Canada, the world's biggest producer of this kind of oil. Meanwhile, representatives of the oil sand industry feel that their constant progress in making this energy form cleaner and more sustainable is being ignored.

[The Epoch Times](#)

NEW ZEALAND

Log boom drives industry up 'wall of wood'. The so-called "wall of wood" looming over New Zealand has the forestry industry spooked. Growth projections show the country is heading toward a log boom that will have 55 million cubic metres of timber ready for harvest in 2024 - that's more than twice the current rate.

[Nelson Mail](#)

AUSTRALIA

Carbon permits 'will keep prices down'. Tony Abbott's warning to big business not to purchase pollution permits before emissions trading starts in mid-2015 could push up consumer prices, the Opposition Leader has been told. The Climate Change Department argued that companies needed to be able to buy advance permits - both domestically and internationally - to hedge their bets ahead of the market price kicking in.

[The Sydney Morning Herald](#)

Coalition to abolish green energy funds. The coalition says it will stop federal funding for clean energy commitments as well as abolish the carbon price if it wins government. Opposition finance spokesman Andrew Robb labelled the planned Clean Energy Finance Corporation a reckless slush-fund.

[Trading Room](#)

Australia's carbon tax plan passes biggest hurdle. Australia's plan for a sweeping national carbon price passed its biggest political hurdle when the lower house of parliament voted in favor of the scheme -- a major victory for beleaguered Prime Minister Julia Gillard. Gillard, who is staring at electoral defeat according to opinion polls, has staked her minority government's future on the sweeping economic reform which will impose a carbon tax on around 500 of the country's biggest polluters from July 2012, before moving to a carbon trade scheme in 2015.

[Reuters](#)

CENTRAL AND SOUTH AMERICA

Peru: High gold price triggers rainforest devastation in Peru. As the price of gold inches upward on international markets, a dead zone is spreading across the southern Peruvian rain forest. Tourists flying to Manu or Tambopata, the crown jewels of the country's Amazonian parks, get a jarring view of a muddy, cratered moonscape ... and then another ... and another in what the country boasts is its capital of biodiversity. While alluvial gold mining in the Amazon is probably older than the Incas, miners using motorized suction equipment, huge floating dredges and backhoes are plowing through the landscape on an unprecedented scale, leaving treeless scars visible from outer space.

[Mongabay.com](#)

Brazil: Amazon deforestation higher than initially stated. Brazil revised upward its estimate of how much Amazon rainforest was destroyed last year, reports the Associated Press. The Environment Ministry now says some 7,000 square kilometers (2,700 square miles) of Amazon rainforest were cleared between August 2009 and July 2010, up 8.5 percent from the 2,491 square kilometer estimate published last year. Brazil often revises initial annual deforestation statistics following greater analysis of satellite imagery.

[Mongabay.com](#)

Ecuador: Threats From Carbon Market. Ecuador's participation in the global carbon market has generated complications in indigenous peoples and Afro-Ecuadorian communities, which have not only seen cutbacks in their rights to use land for ancestral activities, but whose organizations have also undergone fracturing due to the government's offer to establish annual cash bonuses to communities that participate in its flagship program, Socio Bosque, or Forest Partner, driven by the Ministry of Environment since mid-2008.

[Eurasia Review](#)

2010 Amazon drought released more carbon than India's annual emissions. The 2010 drought that affected much of the Amazon rainforest triggered the release of nearly 500 million tons of carbon (1.8 billion tons of carbon dioxide) into the atmosphere, or more than the total emissions from deforestation in the region over the period, estimates a new study published in the journal Environmental Research Letters.

[Mongabay.com](#)

Guyana: Forestry legality assurance system report handed over to Agri Minister. Over the past years, the forestry sector has received a significant amount of international attention, particularly as it relates to the initiation of the Low Carbon Development Strategy (LCDS) and Reduced Emission from Deforestation and Forest Degradation + (REDD+). This attention was heightened with the handing over of Guyana's Legality Assurance System, a study conducted by the United States of America Embassy, through the United States Agency for International Development (USAID). It addresses the enhancement of Guyana's forestry industry to meet international standards. The report outlines mechanisms for improvement to the Guyana Forestry Commission (GFC) and was received by Minister of Agriculture, Robert Persaud at his Regent Street office from US Ambassador, Brent Hardt.

[Guyana Chronicle](#)

NORTH AMERICA

EPA says will not tighten dust rule for farms. The U.S. Environmental Protection Agency said it will not tighten controls on dust particles on farms when it sends the rule to the White House for its regular five-year review. Some Republicans, including presidential hopeful Herman Cain, have said the EPA would expand the rule, which mainly affects heavy industry and vehicles, and regulate farms more broadly.

[Reuters](#)

Satellite imagery confirms Dole destroying national park land for bananas. "Dole Lanka [Sri Lanka's branch of Dole] cultivates a farm in Kandakaduwa for Letsgrow (Private) Limited who has confirmed to Dole Lanka that the farm is not in the Somawathiya National Park. Dole is in the process of obtaining confirmation on the exact location of the park vis-à-vis its farm." However, using Google Earth, the coordinates of the plantation, and the boundaries of the park as found on protectedplanet.net, mongabay.com was able to verify that the coordinates of the plantation are well inside the park's boundaries. One cannot see the plantation itself on Google Earth, since the satellite images are too old. But, the anonymous source said that Dole has been confronted with satellite imagery from this year obtained by the NGO, Environmental Foundation Limited (EFL). The source also told mongabay.com that Dole will likely try to pin the blame for the illegal clearing of protected lands on its company partner, Letsgrow Ltd.

[Mongabay.com](#)

Science and Technology

Scarce resources, climate biggest threats to world health. The Earth's natural resources like food, water and forests are being depleted at an alarming speed, causing hunger, conflict, social unrest and species extinction, experts at a climate and health conference in London warned.

[Reuters](#)

Global warming blamed for shrinking species. From the mighty polar bear to the tiny house sparrow, many of Earth's species appear to be shrinking in size, a new study reports - and its authors think that's probably due to global warming. But other experts say that conclusion goes too far, blaming global warming for what may be natural changes.

[Twin Cities](#)

Report Tracker



The Supply Chain of CO2 Emissions

PNAS

October 2011



Agricultural success from Africa: the case of fertilizer tree systems in Southern Africa

Earthcare

October 2011



Last opportunity to save natural forest and peatland in Indonesian pulpwood plantation concessions

Greenomics

October 2011

Project Tracker

CDM Projects Registered (July 2011)

Kenya

Aberdare Range/ Mt. Kenya Small Scale Reforestation Initiative Kamaa-Kipipi Small Scale A/R Project [Read More](#)

Voluntary Markets: Projects Registered (June- July 2011)

Uganda

Kaching Forest Project: Afforestation on Degraded Lands [Read More](#)

Methodology Tracker

Approved methodologies

Senegal

Afforestation and Reforestation of Degraded Mangrove Habitats [Read More](#)

Conference Tracker





2011 South East Asia Australia Offshore Conference

5 - 7 October 2011 • Darwin Convention Centre



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